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C O N F I D E N T I A L SECTION 01 OF 05 TEGUCIGALPA 001790

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TAGS: [PREL](#) [PGOV](#) [SMIG](#) [PINS](#) [KCRM](#) [KJUS](#) [SNAR](#) [PINR](#) [HO](#)

SUBJECT: HONDURAN PRESIDENT MADURO MEETS WITH CHARGE ON  
CORRUPTION AND OTHER ISSUES, PRESENTING HIS BEST CASE

REF: A. TEGUCIGALPA 1789

[1](#)B. TEGUCIGALPA 1775 AND PREVIOUS

Classified By: Classified by Charge d'Affaires a.i. James G. Williard;  
Reasons 1.4 (b) and (d).

[1](#)1. (C) Summary: On August 27, Honduran President Ricardo Maduro invited the Charge (CDA) to lunch to discuss various issues, including the president's personal reputation amid corruption charges within the Honduran government. Maduro lamented what he called a needless distancing in the bilateral U.S./Honduran relationship that he said resulted from the withdrawal of Honduran troops from Iraq and Honduran opposition to Paco Flores as OAS Secretary General. Above all, Maduro believed that the U.S. was upset with him for failing to stem corruption. Maduro spoke of his affection for the U.S. and recalled how his government had approved an ICC Article 98 agreement, introduced a human rights resolution against Cuba at the UNCHR, and dispatched troops to Iraq. CDA reassured Maduro of our strong bilateral ties, indicated by the CAFTA and Millennium Challenge Account accords, and expressed appreciation for the president's accomplishments. But, CDA informed Maduro that corruption remained a serious concern and that the immigration scandal - and the way the judicial system handles cases related to the scandal - would be closely watched by Washington. Maduro disclosed that he had met the previous day with President of the Supreme Court, Vilma Morales, telling her that both he and she knew that former Immigration Director Ramon Romero is guilty and that she needs to get together with the Special Prosecutor for Organized Crime to ensure that Romero goes back to jail. The discussion covered many other topics including the national political campaign - officially underway on August 29. End Summary.

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Background  
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[1](#)2. (C) The GOH has encountered strong public and media outcries following the release of former Immigration Director Ramon Romero two weeks ago. Post's public statement expressing disappointment in developments related to the immigration scandal resulted in much media comment and government maneuvering. The Supreme Court unsuccessfully attempted to gain support for the judge's action from the Attorney General and the Minister of Public Security. Minister of the Presidency Ramon Medina Luna delivered to the CDA a stern official objection to the Embassy statement (ref A). Meanwhile, the Special Prosecutor for Organized Crime stepped up public pressure on the government by declaring that the judge had acted under political influence. New Director of Immigration, Jorge Kawas, resigned after only ninety days, complaining of continuing irregularities in the immigration office and insufficient government backing to make needed personnel changes (ref B). Kawas stated that the immigration office was a gold mine (of corruption). In this context, and with the national political campaign starting August 29, President Ricardo Maduro decided on Saturday, August 27, to ask the CDA to lunch later that day. The one-on-one luncheon at the president's rented house lasted nearly four and a half hours and took place in an exceedingly cordial, but frank atmosphere.

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Iraq and OAS Secretary General  
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[1](#)3. (C) With regard to withdrawal of Honduran troops from Iraq and the OAS Secretary General vote, Maduro made the following points:

-- Iraq: Honduras decided to withdraw its troops under severe public pressure - maintaining troops in Iraq had become politically non-sustainable. Maduro denied any collusion with Spain over the timing of the withdrawal. In fact, Maduro explained that on the next day after he had received Spain's assurances that it would not publicly declare its intentions for at least two weeks, Spain went ahead and announced its troop withdrawal. Maduro further

stated that a U.S. General had sent a letter encouraging Honduran peacekeepers to take the offensive in Iraq. Maduro argued that if this had become public knowledge, there would have been a severe public reaction.

-- OAS: Calling former El Salvadoran President Francisco "Paco" Flores one of his closest personal friends, Maduro disclosed that Flores currently acts as an advisor to Maduro on improving his public image - a fact that Maduro said would be explosive if it became known. Maduro referred to the border dispute with El Salvador, the forceful campaign led by former Honduran President Carlos Flores (Liberal Party), and (in his opinion) the premature U.S. announcement in support of Paco Flores as reasons for Honduran opposition on this issue. Maduro also mentioned that Paco Flores had misled him personally about El Salvador's appeal of the International Court of Justice's decision on the their border dispute.

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Corruption  
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14. (C) Maduro passionately defended his record against corruption - an effort which he admitted has a long way to go. Maduro reminded CDA that Honduras has been a democracy for only 24 years and that institution building remains in its early stages. He further pointed out the difficulties faced by democracies with low education levels in dealing with corruption. Maduro said that corruption had constituted a significant problem for all Honduran administrations and that the problem continues on a massive scale. In a rather intriguing comment, Maduro claimed that the opposition Liberal Party could have identified more serious corruption targets from the Callejas presidency, but did not - CDA could not elicit further comments on this topic. Maduro conveyed his vivid personal experiences with corruption, describing the kidnap and murder of his son. He said all except one of the murderers got away. The killer, who went to jail, escaped on the day the jail warden withdrew all weapons assigned to prison guards. Maduro also related how the courts had lost his mother's birth certificate at a time when he was attempting to establish his citizenship to run for president. The message: Maduro knows the extent of corruption in Honduras and has been a victim of it.

15. (C) Maduro cited the following as serious, anti-corruption achievements during his presidency and asked that the USG credit him for:

-- Revamping the electoral system, allowing citizenry to vote for actual congressional representatives rather than a political party.

-- Reconstituting the Supreme Court so that judges are named by civil society and not by the political parties and their terms run for seven years renewable, rather than concurrent with the president's term.

-- Changing (with the assistance of USAID) from a closed to an open trial court system with the implementation of the new Code of Criminal Procedures.

-- Closing of some 16 financial institutions for corruption, with the arrest and conviction of several top financial managers.

-- Removing the Government from the corrupt housing program.

-- Placing major government procurements (including medicines) in the hands of the United Nations Development Program.

-- Firing nine corrupt Customs officials.

-- Instituting strict controls on the collection of sales tax, actually shutting down several businesses that failed to charge the tax during sting operations.

-- Streamlining tax collection to become a leader in the region.

-- Adhering to or exceeding all IMF requirements, despite heavy political pressures to relax fiscal restrictions during the election campaign.

-- Implementing the immunity law that eliminates protections formerly granted to politicians.

-- Passing the anti-gang law that makes gang membership a crime - as a way to address some of the extortion imposed by gangs.

-- Expanding anti-narcotics operations throughout the country.

-- Initiating a law that requires ministries to respond to citizen proposals within 30 days, or such proposals become

automatically accepted.

-- Putting the military on the streets and firing some 200 corrupt police operatives to create better security.

-- Requesting the intervention of Catholic Church Cardinal Oscar Rodriguez on moral issues.

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Romero Case and Immigration  
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16. (C) Maduro told CDA that he ordered the arrest of former Immigration Director Romero after personally reviewing some of the evidence. CDA told Maduro that skeptics in the United States believed that it would only be a matter of time until Romero was released - and that was exactly what happened based on the decision of a substitute judge. Further, CDA explained that with the defendant facing a possible 18 year prison sentence, it is hard to imagine how the judge could rule that he was not at risk of fleeing. Additionally, the judge had found that Romero could not contaminate the investigation, even though the Special Prosecutor had noted that many of Romero's associates remained in place and the new Director of Immigration had just resigned because he found continued irregularities and did not have the authority to change the situation. CDA advised the President that this case did not exist in isolation - there are many other suspect court decisions involving narco-traffickers - and that the entire passport scandal presented a national security risk to both Honduras and the United States.

17. (C) Maduro commented that he had spoken with Supreme Court President Vilma Morales the previous day and had told her, "I know Romero is guilty. You know Romero is guilty. Sit down with the Special Prosecutor and let her know what you need to get Romero back in jail." Part of the problem, according to Maduro, is that Special Prosecutor Doris Aguilar is inexperienced and appears too often in the press. Maduro asked whether the United States had competent attorneys who could advise the prosecution on the strength of the cases. Morales has repeatedly complained to the president that the prosecution cases are weak and that she wants to protect the independence of the courts. Maduro apparently told Morales that the credibility of the entire court system rides on the Romero case. (Note: While Post does not want to do the work for Honduran prosecutors, it might be advisable for a U.S. legal attache to go over prosecution issues with the young, relatively inexperienced prosecutor who handles nearly all the high profile corruption cases here. End Note.)

18. (C) While agreeing that corruption in the court system must be approached in an institutional manner, CDA remarked that the United States had its own laws to implement and its people to protect. Accordingly, we had used the visa revocation tool and that we would not hesitate to use it again if necessary. CDA forewarned Maduro that we could not tolerate judges who established a pattern of refusing to entertain evidence against narco-traffickers - caught by Honduran and US agents who had literally put their lives at risk. Maduro nodded his apparent understanding. CDA also said that we preferred to work with the Honduran government in private, but that we could not remain publicly silent on matters of security concern to the United States: silence suggests acquiescence.

19. (C) Maduro pledged to cooperate in every possible manner with the United States in reforming the Immigration Office. He said that he planned to name a new director this week (three people have declined to serve so far) and that he would provide the Embassy with the name for vetting and polygraph. Maduro said the director would report to a three person commission and that the anti-corruption commission would be involved in cleaning up the immigration office. CDA named the DHS/ICE office as the point of contact in assisting with this effort.

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Politics  
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10. (C) Maduro made no predictions regarding the outcome of the extremely tight presidential race between his Nationalist candidate Porfirio "Pepe" Lobo and Liberal candidate Manuel "Mel" Zelaya. At one point, Maduro did roll his eyes and shake his head when CDA asked him about Lobo's much criticized proposal to de-link electricity charges from fuel costs. Instead, Maduro spoke of his own disinterest in politics (even though he lamented being a lame duck), calling himself a businessman who entered the last race at the urging of others and due to the murder of his son. In fact, Maduro said he intends to return to private business after the January 2006 inauguration and to devote considerable time to private organizations promoting educational reform. Maduro said that despite building a strong institutional framework for economic prosperity in the future, the average voter

would not likely credit his Party for improving general economic conditions. He called for continued evolution of the congressional election system with the eventual election of candidates by district. Maduro proudly proclaimed that there would be no fraud in the upcoming elections and he praised the performance of voters during the past primary elections.

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Other Issues  
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11. (C) In response to Maduro's positive comments about economic development, CDA remarked that Minister of Environment Patricia Panting had continuously delayed meeting with the Embassy and Honduras had already lost one USD 8 million investment for failure to execute final approval on a project. Maduro picked up the phone and called Panting, instructing her via voice mail to meet with the CDA. Also, CDA asked that Maduro do whatever he could to free seized assets for use by law enforcement agencies. Maduro said this would take legislation, but that he was working on it. CDA told the president that it was difficult for the United States to provide more funds to the GOH for security, if the government did not act quickly to release the USD 4 million seized assets. Maduro and CDA discussed in some detail the fight against narco-trafficking, alleged threats against Maduro's life, and a major anti-drug operation about to get underway. CDA pledged full cooperation. Maduro asked that more USG funds go into the anti-narcotics program.

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Atmospherics  
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12. (C) Maduro's home appeared pleasant, but relatively modest. The first people CDA met in the house were two of the three small children the president and his wife Aguas have adopted. Aside from his five natural children, the Maduros have also taken in four other children - two of whom are in Spain as a precaution after they reportedly witnessed the murder of other family members. Maduro was joined briefly by his 25-year-old daughter who survived a recent plane crash along with the president. He spoke frequently about his murdered son, and CDA noticed that the president's computer in his study bore an image of his son on the saved screen. Maduro described himself as bi-national, telling the CDA that his first wife used to correct the spelling in his Spanish language letters to her.

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Comment  
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13. (C) The president obviously wanted to impress the CDA with his informal, intelligent style. He clearly believes that he is being judged too harshly over the corruption issue and wants to mend any friction in the bilateral relationship during his last five months in office. Given his close association with the United States, it is apparent that Maduro is especially sensitive to U.S. criticism and wants very much to enjoy our favor. Still, the record of corruption here is not good and we will maintain vigilance over developments in the immigration and judicial systems where injustices still appear to be an everyday occurrence.  
End Comment.  
Williard